



***1Q10 Earnings
Conference Call
2009/2010 Harvest***

This presentation contains forward-looking statements relating to the business outlook, operating and financial projections, and the growth prospects of São Martinho S.A. These statements merely represent projections and as such are based exclusively on management's expectations about the future of the business.

Forward-looking statements are no guarantee of performance. They involve risks, uncertainties and assumptions because they relate to future events and therefore depend on circumstances that may or may not occur in the future.

Investors should understand that general economic conditions, industry conditions and other operating factors could also affect the future results and could cause results to differ materially from those expressed in such forward-looking statements.

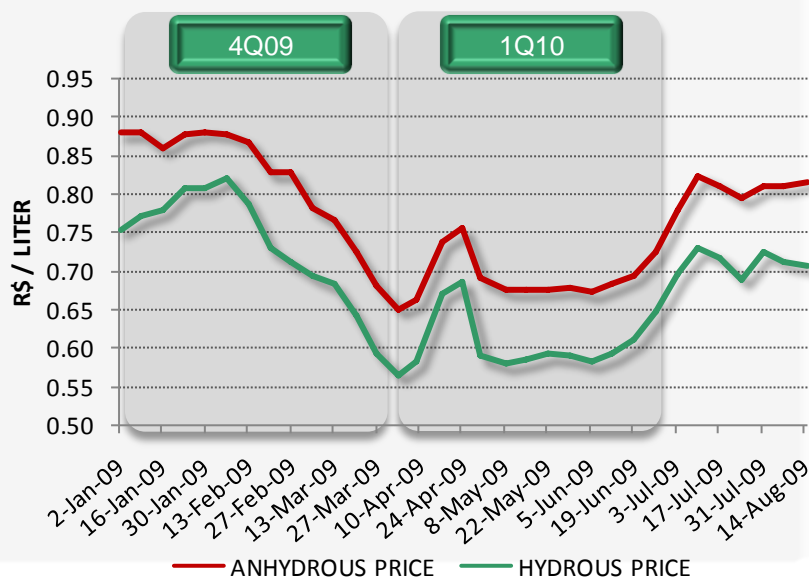
 Strong Net Revenues and EBITDA Growth;

 Adjusted EBITDA together with Sugar and Fx Hedge results totaled R\$ 67,9 MM;

 Sugar available for sale in the coming quarters amounted 649 thousands tonnes;

Chart 1

Ethanol Price



Ethanol output should be revised downward;

Bad weather conditions have been compromising the crushing and cane quality;

Ethanol domestic demand has grown 18%;

Chart 2

Ethanol Demand

Billion Liters

Exports

Domestic Market

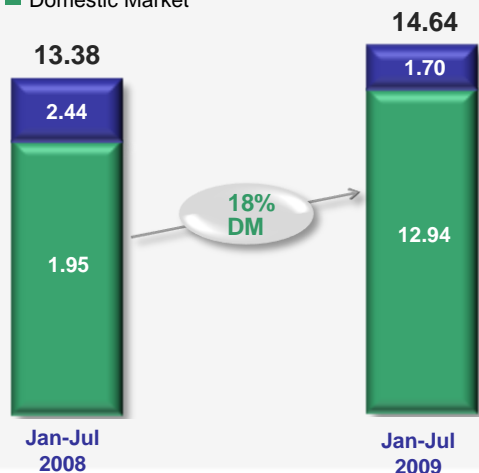


Table 3

Ethanol – 09/10 Harvest – Center-South

Million Liters

Inventories as of, March 31, 2009	1,993
Ethanol Output until 08/01/2009	10,555
Ethanol Demand until 08/01/2009	9,196
Ethanol Available for Consumption	3,352
Days of Equivalent Consumption (*)	44

(*) Considering the average monthly consumption from April to July, 2009

SUGAR MARKET

Hedge Position – Sugar – São Martinho Group

Table 1

	Volume Tonnes	Average Price US\$ ¢ / pound
Inventories 1Q10 <i>2009/10 - Harvest</i>	197,463	
Remaining Production <i>2009/10 Harvest</i>	451,579	
Available Volume <i>July/2009 to March/2010</i>	649,041	
Price Fixed Directly With Clients <i>Delivery between July and December 2009</i>	297,637	14.70
Sale of "CALL" <i>Maturity between Sep/09 and March/10</i>	69,393	18.72
Total Hedged <i>Price Fixed With Clients + Sale of "CALL"</i>	367,030	15.46

% Hedged

Total Available

57%

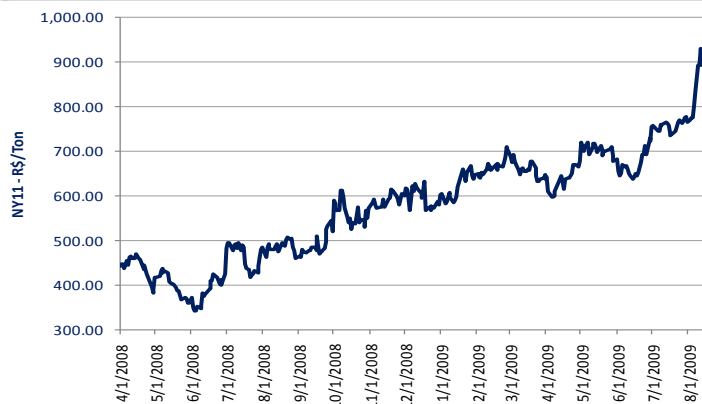
Sugar rally prices has been supported by lower India supply;

Sugar imports news from US and Mexico spurred sugar prices upward tendency;

On June 30th around 282 thousand tonnes of sugar were available to be fixed.

Sugar Price – NY11 R\$

Chart 1



Details on Options Positions and Prices

Table 2

Options / Pricing					
Type	Maturity	Tonnes	Average Price	Position on 08/10/09(*)	Price on 08/10/09
Purchase of "PUT"	Oct/09	16,764	16.73	"Out-of-the-money"	
Sale of "CALL"	Sep/09 to Mar/10	69,393	18.72		
	Sep/09	8,128	17.50	"In-the-money"	22.00
	Oct/09	25,908	18.03	"In-the-money"	22.00
	Mar/10	35,357	19.50	"In-the-money"	23.31
Sale of "PUT"	Sep/09 to Oct/09	17,780	14.84		
	Sep/09	8,128	15.00	"Out-of-the-money"	
	Oct/09	9,652	14.71	"Out-of-the-money"	
Prices Fixed	Jul/09 to Dec/09	297,637	14.70		

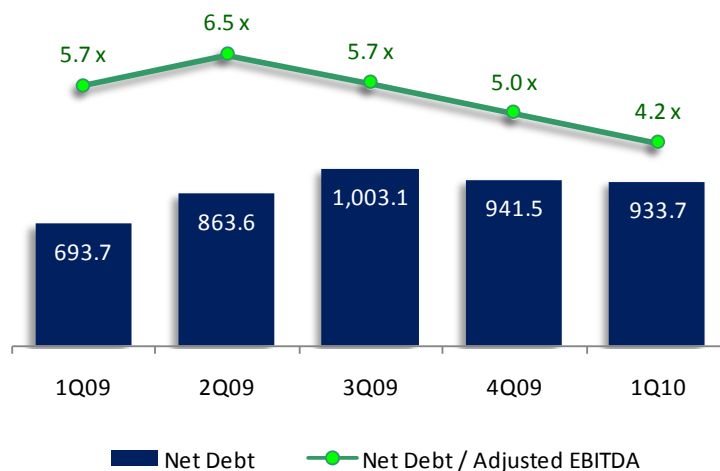
(*) "Out-of-the-money" – Based on the current price of the futures contract, the option will not be exercised
 "In-the-money" – Based on the current price of the futures contract, the option will be exercised




(*) Estimated production from July through the end of the 2009/10 Harvest

Chart 2

Net Debt Evolution
R\$ - Million



 *Crushing and output guidance remains the same;*


 Net debt amounted to R\$ 933 million or 4,2 times Net Debt / Adjusted EBITDA.

Table 1

	1Q10	1Q09	Change
Net Revenue	217,455	92,056	+136.2 %
Adjusted EBITDA	44,195	13,383	+230.2 %
Adjusted EBITDA Margin	20.3%	14.5%	+5.8 p.p.
Impact - Hedge	23,685	n.m.	n.m.
EBITDA (Hedge)	67,880	n.m.	n.m.
EBITDA (Hedge) Margin	31.2%	n.m.	n.m.
Net Income	28,907	(26,230)	n.m.

 Strong Net Revenues and EBITDA Growth;

 Adjusted EBITDA amounted R\$ 67,9 million after sugar and FX hedge results;

 Ethanol sales harmed consolidated EBITDA in 1Q10;

Table 2

	SUGAR	ETHANOL	OTHERS	TOTAL
Adjusted EBITDA	31,990	9,807	2,398	44,195
Adjusted EBITDA Margin	30.5%	10.9%	10.4%	20.3%
EBITDA Cost	R\$ 422.9	R\$ 567.9		

IR Contacts

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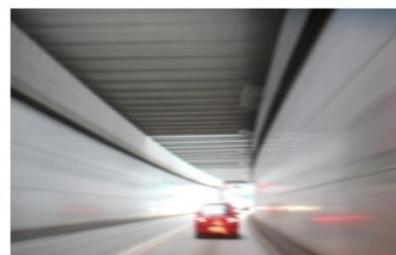
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